Research Proposals for PH.D Programme

"AN ANALYTICAL STUDY OF TAX PLANNING INVESTMENT AVENUES IN SELECTED PRIVATE AND GOVERNMENT SALARIED TAXPAYERS IN MUMBAI CITY".

SYNOPSIS SUBMITTED TO

SWAMI RAMANAND TEERTH MARATHWADA UNIVERSITY

NANDED-431606, MAHARASHTRA STATE, INDIA

FOR THE RAGISTRATION OF THE DEGREE OF DOCTOR OF PHILOSOPHY

IN THE FACULTY OF COMMERCE.

SUBMITTED BY

RESEARCH SCHOLAR

CA. SANDEEP SURESH SAWANT

(M.COM, F.C.A., CS, NET, SET)

Under the Guidance of

Dr. A.P. JADHAV

(Associate professor)

N.W.COLLEGE, A. BALAPUR

2019

Contents

1. Introduction 3

2. Importance of Study 3

3. Significance of study ……..3

4. Limitations of study 4

5. Objectives of study 4

6. Hypothesis of study.....4

7. Scope of the study……5

8. Research Methodology ……6

9. Proposed Chapter Layout ……6

1. INTRODUCTION:

Greater Mumbai is the financial capital of India and the heart of its commercial and trade activities. In Mumbai City, Government and Private salaried employees take benefits of exemptions and deductions given by Income Tax Act, 1961 to save the tax. Tax planning is very essential for salaried employees as per the provisions given in the Finance Act of the relevant year.

Finance budget is normally declared by Finance Minister in the month of February every year. Tax planning is based on budget provisions are essential for every year. Income earned in financial year is taxed in the next financial year i.e. Assessment year.

Every year, some amendments are suggested in the budget which are beneficial to common man like salaried employees in the form of various exemptions and deductions. With the help of tax planning, they can make investments in various alternative available to them and can save their tax. Hence, tax planning and tax management becomes very important for salaried employees to save the tax and avoid interest and penalties levied by Income Tax Authorities.

2. Importance of the Study:

Salaried employees are keen to save their income tax every year by investing in different investment avenues like Public Provident funds, NSC, LIC etc. Analytical study is important to understand how different classes of salaried employees belongs to different slab rates of income tax taking benefits of various exemptions and deductions from selected Government and Private sector in the Mumbai City.

This study will also give importance to understand awareness among private and Government salaried Taxpayers about Tax Planning Investment avenues available to them and how well they use it for their Tax saving and wealth creation purpose.

3. Significance of the Study:

The research will significantly throw light on such selected Government and Private salaried employees who takes maximum benefits of exemptions and deductions to save their tax and simultaneously create wealth in the form of saving and investment which will include saving and investment habits of salaried employees like investment in mutual funds, shares, real estates and other various avenues available.

The research will also give inputs of data regarding behaviour and reactions of taxpayers in different situations for example, Tax saving and Investments avenues made available to them before budget and after budget because Tax saving Investments creates wealth in the form of appreciation in the fair market value of such investments and regular income in the form of Dividend and Interest in the long run especially in the case of equity shares of Indian companies and Mutual Fund Investments ,Purchase of residential house property against sale of residential house property etc. Research will focus on these significant issues as well.

4. Limitations of the study:

The Researcher is conducting study only for selected Government and Private salaried employees from Mumbai city.

5. Objectives of the Study:

1. To study various tax Planning Investment Avenues available to Salaried Taxpayers.
2. To study the benefits of Tax planning and Tax Management.
3. To study saving and investment habit of selected salaried Government and Private employees in Mumbai City.
4. To study the impact of amendments in budget on investment habits of selected salaried Government and Private salaried employees in Mumbai City.
5. To make a comparison between Government and Private sector employees with respect to saving and Investment pattern.
6. To study further Grade-wise or Position-wise study to analyse changes in saving and Investment Pattern from Government and Private Sector Employees.

6. Hypothesis of the study:

Hypothesis 1:

H0: There are no benefits of tax planning and tax management for salaried Government and Private Employees.

H1: There are benefits of tax planning and tax management for salaried Government and Private Employees.

Hypothesis 2:

H0: Budget provisions do not affects saving and investments habits of salaried Government and Private Employees

H1: Budget provisions affects saving and investments habits of salaried Government and Private Employees

Hypothesis 3:

H0: Tax planning is not essential for salaried Government and Private Employees.

H1: Tax planning is essential for salaried Government and Private Employees.

Hypothesis 4:

H0: Tax planning and regular investment habits does not create wealth for salaried Government and Private Employees.

H1: Tax planning and regular investment habits creates wealth for salaried Government and Private Employees.

H0: Tax Panning and tax saving Investments pattern is not same within different grade or position of employees from Government and Private sector salaried Taxpayers.

H1: Tax Panning and tax saving Investments pattern is same within different grade or position of employees from Government and Private sector salaried Taxpayers.

7. Scope of the Study:

It will help to understand need, benefits of tax planning and tax management for salaried Government and Private Employees in Mumbai City and comparison between employees from Central and Western region of Mumbai city. It will cover sample data of 10% from five Private sector companies and Five Government Companies from same sector .Sample data will cover 10% of employees working in Mumbai city on various Positions from Public Sector Undertaking and private companies. While selecting companies it will be seen that companies from different fields are selected to draw comprehensive conclusion from selected data.

While selecting Government, Public Sector companies or Private sector companies, it will be seen that these are selected from different sectors and industries like Aviation, Telecommunication, Banking, Insurance, petroleum, Oil and Gas.as per table mentioned below.

Sr.No.	Sector / Industry	Government Co./PSU	Private Company
1	Aviation	Air -India	Indigo (Interglobe Aviation Limited)
2	Telecommunications	BSNL	Reliance Jio Infocomm Limited
3	Banking	State Bank of India	ICICI Bank Limited
4	Insurance	LIC India	HDFC Life
5	Oil and Gas	Oil and Natural Gas Corporation (ONGC)	Reliance Petrolium

8. Research Methodology:

A. Data collection:

1) **Primary data** will be collected from Mumbai salaried employees both male and females employed in Public and Private organizations by the extensive use of following data gathering techniques and tools.

- Questionnaire.
- Personal interviews
- Observation through personal visits.
- Telephonic and e-mail interviews.

2) **Secondary data** will be collected from various references which already exist and would be published in future like books, articles in newspapers like Hindustan times, DNA and Times of India, Indian Express etc. from time to time. The articles in magazines as well as Web and Internet support will also be considered for the purpose of secondary data collection.

9. Proposed Chapter Layout

1) Introduction.
2) Review of literature.
3) Research methodology.
4) Analysis and interpretation of data.
5) Finding, Suggestion and Conclusions.
6) Reference

Annexure

1. Questionnaire

CA. Sandeep Sawant — Dr. A.P. Jadhav

Research Scholar — Research Guide